

March 19, 2018

## 2726 West Cortez Condominium Association

**Purpose:** At this time the HOA has voted to move forward with Exploratory work to determine if water infiltration within Unit #3 is considered a Common Element or Unit issue according to the Condo Association Bylaws.

On Sunday March 11<sup>th</sup>, 2018 the HOA voted to move forward with the exploratory work with a 2 to 1 vote to determine repair responsibility according to the bylaws. Unit #1 and #3 in favor and Unit #2 not in favor. It was also agreed that Unit #1 would pay 20% of the estimated quote, Unit #2 agreed to contribute 26%, and Unit #3 to contribute 30%. The remaining 24% would be covered by the HOA reserve fund and reimbursed back to the HOA based off the exploratory works findings and repair responsibilities according to the HOA bylaws. Below is the cost breakdown for deposit and after completion of work.

**Total Cost for Exploratory work broken down by HOA percentages: \$4000**

- Unit #1 – 44% (\$1760)
  - 20% upfront (\$800)
  - 24% loan from HOA (\$960)
- Unit #2 – 26% (\$1040)
- Unit #3 – 30% (\$1200)

*Balance: Due upon completion of work by Bral, may include additional fee based on contract. Bral will notify if any further fee is required to complete repairs. All additional fees/work exceeding agreed quote needs to be voted on and agreed to by the HOA. Bral, must agree prior to doing work to not do any additional work that will exceed initial quote without HOA permission.*

### **Financial Responsibilities for deposit:**

Deposit: \$2500

- Unit #1 - \$500
- Unit #2 - \$650
- Unit #3 - \$750
- HOA - \$600
  - HOA portion is recognized as a loan to Unit #1 at this time but Contingent of Exploratory work findings and HOA Bylaw responsibility.

*Balance: TBD, based on final amount required by Bral based on the HOA percentages listed previously.*

### **HOA Financial Loan Terms:**

2726 W Cortez HOA has agreed to cover 24% of Unit Bylaw responsibilities at this time. Financial responsibility of this payment back to the HOA is contingent of the Exploratory works repair responsibility according the HOA Bylaws (Common Element or Unit). This loan shall be paid back to the HOA within 3 months after receiving exploratory work diagnosis paperwork where it can determined if water infiltration in Unit #3 is a Common Element or Unit issue.

**Responsibility Contingent of Exploratory Work:**

If determined Unit responsibility:

- Unit #3 would be responsible for all repairs according to the HOA Bylaws
- Unit #3 would need to reimburse Unit #2 the 26% paid for Exploratory work.
- Unit #3 would need to reimburse Unit #1 the 20% paid for the exploratory work as well as the 24% covered by the HOA.

If determined a Common Element responsibility according to HOA Bylaws:

- Unit #1 would be fully responsible for the 24% covered by the HOA for exploratory work.
- All additional repairs would then need to be voted on. Minimal of at least 2 quotes of suggested required work.
- Financial responsibility for additional work/repairs would go back to HOA Bylaws and percentage of ownership.
  - Unit #1 – 44%, Unit #2 – 26%, Unit #3 – 30%

Please sign below if you agree to these terms.

Unit #1:  \_\_\_\_\_

Date 3/20/2018 \_\_\_\_\_

Unit #2: \_\_\_\_\_

Date \_\_\_\_\_

Unit #3:  \_\_\_\_\_

Date 3/20/2018 \_\_\_\_\_